

Message Text

LIMITED OFFICIAL USE

PAGE 01 LA PAZ 05552 152127Z

ACTION EB-07

INFO OCT-01 AF-10 ARA-10 ISO-00 INT-05 COME-00 STR-04

GSA-02 SP-02 CIAE-00 INR-07 NSAE-00 /048 W

-----077041 160840Z /10

R 152105Z JUL 77

FM AMEMBASSY LA PAZ

TO SECSTATE WASHDC 6261

INFO AMEMBASSY PRETORIA

LIMITED OFFICIAL USE 5552

FOR: DEPT PASS INTERIOR BUREAU OF MINES

EO 11652: NA

TAGS: EMIN, BL

SUBJ: ANTIMONY

REF: STATE 151478

1. RRA MET WITH PRESIDENT OF EMUSA, JAIME QUIROGA TO DISCUSS THE CURRENT SITUATION IN ANTIMONY. EMUSA IS BOLIVIA'S LARGEST ANTIMONY PRODUCER AND THE SECOND LARGEST IN THE WORLD. HIS ANALYSIS OF THE RECENT WEAKNESS IN ANTIMONY PRICES WAS THAT DROP IN USAGE OF ANTIMONY METAL DUE TO SWITCHING FROM ANTIMONIAL-LEAD TO CALCUIM-LEAD BATTERIES CAUSED AN OVERHANG OF METAL ON THE MARKET WHICH WAS BEING BOUGHT UP BY SMELTERS FOR CONVERSION TO ANTIMONY TRIOXIDE. THE MARKET FOR TIOXIDE IS GROWING SINCE USAGE IN FIRE RETARDANTS HAS INCREASED. THIS HAS CAUSED A DECREASE IN SMELTER DEMAND FOR CONCENTRATES. IRONICALLY, IT APPEARS THAT ENAF (STATE SMELTING COMPANY) MAY BE CONTRIBUTING TO THIS SITUATION BECAUSE IT REPORTEDLY HAS BEEN SELLING ANTIMONY METAL FROM ITS NEW SMELTER-REFINERY, THAT IS SOMEWHAT OFF-GRADE, TO FOREIGN SMELTERS FOR CONVERSION TO TRIOXIDE. AN UNCONFIRMED AND INDEPENDENT SOURCE TOLD RRA THAT ANTIMONY STOCKS IN BOLIVIA (CONCENTRATE AND METAL) ARE NEARING 10,000

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 LA PAZ 05552 152127Z

MT. LARGER THAN USUAL CHINESE SALES WERE ALSO CITED AS A CAUSE OF DEPRESSED ANTIMONY PRICES.

2. QUIROGA SAID HE WAS PLANNING A TRIP TO CHINA IN EARLY OCTOBER AND WOULD BE JOINED BY CARLOS ITURRALDE THE BOLIVIAN AMBASSADOR IN KUALA LUMPUR. IF HE CANNOT MEET WITH CHINESE AUTHORITIES IN CHINA HE WILL TRY TO MEET WITH THEM IN GENEVA.

THE MEETING WILL HAVE THE PURPOSE OF CONVINCING THE CHINESE TO LIMIT OR REGULATE ITS SALES OF ANTIMONY ON THE WORLD MARKET. ALSO THE CHINESE WILL BE APPROACHED REGARDING THEIR INTEREST IN JOINING AN ANTIMONY INSTITUTE. (THE CHINESE HAVE APPARENTLY SHOWN INTEREST IN THIS IDEA.) THE INSTITUTE WOULD BE DEDICATED TO FINDING NEW USES FOR ANTIMONY AND PROVIDE FOR AN EXCHANGE OF INFORMATION AMONG COMPANIES. QUIROGA SAID THAT MURCHISON OF SOUTH AFRICA, THE WORLD'S LARGEST ANTIMONY PRODUCER AND EMUSA ARE IN FREQUENT CONTACT TO EXCHANGE TECHNICAL INFORMATION AND THEY ALSO ARE INTERESTED IN FORMATION OF THE INSTITUTE.

3. THE ULTIMATE GOAL OF ANTIMONY PRODUCERS WOULD BE TO FORM A COOPERATIVE INTERNATIONAL ORGANIZATION OF CONSUMERS AND PRODUCERS LIKE THE ITC. HOWEVER THIS WILL HAVE TO EVOLVE OVER TIME AS PRESENTLY TWO OF THE MAIN PRODUCERS CHINA AND SOUTH AFRICA ARE IMPOSSIBLE POLITICAL BEDFELLOWS.

4. IT IS A CURIOUS CONJUNCTURE BUT A FACT THAT THE THREE MINERALS IN WHICH BOLIVIA HAS THE LARGEST PRODUCTION AND RESERVES ARE ALSO THE MINERALS IN WHICH CHINA ALSO HAS THE LARGEST RESERVES ALTHOUGH NOT IN THE SAME ORDER OF IMPORTANCE AS BOLIVIA I.E., TIN, TUNGSTEN AND ANTIMONY. JAIME QUIROGA (A FORMER MINISTER) IS A REASONABLE AND FRIENDLY PERSON WHO OBVIOUSLY HAS THE INTERESTS OF HIS PRODUCT, HIS COMPANY AND HIS COUNTRY AT HEART BUT IS A PERSON WITH WHOM THE USG CAN WORK WHEN AND IF IN THE FUTURE A CONSUMER-PRODUCER GROUP TO STABILIZE PRICES LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 LA PAZ 05552 152127Z

FOR ANTIMONY IS NEGOTIATED.
BEAL

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: MINING INDUSTRY, ANTIMONY, PRICE STABILITY, MINERALS
Control Number: n/a
Copy: SINGLE
Sent Date: 15-Jul-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977LAPAZ05552
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D770253-1113
Format: TEL
From: LA PAZ
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t19770754/aaaabuel.tel
Line Count: 96
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 414fc06a-c288-dd11-92da-001cc4696bcc
Office: ACTION EB
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: 77 STATE 151478
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 26-Nov-2004 12:00:00 am
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 1851038
Secure: OPEN
Status: NATIVE
Subject: ANTIMONY
TAGS: EMIN, BL
To: STATE
Type: TE
vdkgvwkey: odbc://SAS/SAS.dbo.SAS_Docs/414fc06a-c288-dd11-92da-001cc4696bcc
Review Markings:
Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
22 May 2009
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009